

# **CLEAN DEVELOPMENT MECHANISM EXECUTIVE BOARD**

## **PROPOSED AGENDA AND ANNOTATIONS**

Third meeting  
Wissenschaftszentrum, Ahrstrasse 45  
Bonn, 9 – 10 April 2002

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<sup>1</sup> Annex 1 and Annex 2 are made available in separate documents.

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## II. ANNOTATIONS TO THE PROPOSED AGENDA

### 1. Adoption of the agenda

1. **Background:** The executive board of the clean development mechanism agreed, at its second meeting (Bonn, 14 – 16 January 2002), on items to be included in the provisional agenda for its third meeting. In accordance with rule 21 of the draft rules of procedure, subsequent additions or changes to the provisional agenda by members and/or alternate members were incorporated in the proposed agenda which was transmitted to the board on 19 March 2002. Subsequently, the proposed agenda was posted on the UNFCCC CDM web pages.

2. **Action:** Members may wish to adopt the proposed agenda for the third meeting.

### 2. Work plan until the eighth session of the Conference of the Parties

3. **Background:** Paragraph 6 of decision 17/CP.7 lists issues to be included, *inter alia*, in the work plan until the eighth session of the Conference of the Parties.

4. **Action:** Members may consider each of the sub-items and decide on appropriate action.

#### (a) Accreditation process for operational entities

5. **Background:** At its second meeting, the board requested the secretariat to continue the development of detailed procedures to operationalize the accreditation of operational entities, taking into account guidance received by the board, with a view to the executive board adopting them at its third meeting. At the same meeting, the board agreed to launch the accreditation process at its fourth meeting at the latest, including the establishment of the CDM accreditation panel. It also agreed to circulate draft terms of reference for the accreditation panel and competence requirements for ad hoc accreditation assessment teams for comments via list serve.

6. Reflecting the comments received and in preparation for the third meeting of the board, the secretariat prepared a revised draft technical paper on detailed procedures to operationalize accreditation (see attachment 1 of Annex 1) which also includes, in its section II/F., requirements for the members of the CDM accreditation panel (CDM-AP) and CDM accreditation assessment teams (CDM-ATs). The revised draft terms of reference are contained in attachment 2 of Annex 1.

7. **Action:** Members may wish to (i) consider and approve detailed procedures to operationalize the accreditation of operational entities, including requirements for members in the CDM-AP and CDM-ATs, and terms of reference for the accreditation panel; (ii) request the secretariat to prepare necessary forms for possible approval on the basis of rule 29 of draft rules of procedure before the fourth meeting of the board; (iii) request the secretariat to post, on the UNFCCC CDM website, an invitation to experts to submit their applications for the CDM-AP and to compile a list of applications and a short-list for further consideration by the board, including from the UNFCCC roster of experts, at its fourth meeting with a view to designate members as well as the chair and vice chair of the panel; (iv) consider requesting the secretariat to make a call for experts qualified to be a member of CDM-ATs in order to facilitate and accelerate their establishment once the accreditation process is launched.

#### (b) Simplified modalities and procedures for small scale CDM project activities

8. **Background:** At its second meeting, the executive board, having considered the draft work plan to develop recommendations to COP 8 on simplified modalities and procedures for small scale CDM

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project activities, agreed that public comment should be sought on this draft work plan from 25 January to 8 February 2002. The board also requested the secretariat to conduct further work to develop a proposal on the interpretation of definitions of small-scale project activities for consideration at its third meeting, taking into account public comments on the draft work plan. Twenty-four comments, six of which from Parties, were received and made available to the board. The comments were incorporated, as appropriate, in the draft technical paper, attached to Annex 2, on elements for developing a proposal on the interpretation of definitions of small-scale project activities.

9. At its second meeting, the board also agreed to launch a panel, at its third meeting, to develop recommendations to the board on simplified modalities and procedures (section V of the draft work plan). Mr. Ashe and Mr. Okamatsu will serve as chair and vice-chair of this panel. In preparation of the establishment of the panel, the board agreed to circulate draft terms of reference, including competence requirements for panel members, with a view to deciding upon them, if appropriate, prior to the third meeting via its list serve (circulation period: 6 March - 22 March 2002). All members confirmed the receipt of the message. **The proposed decision was approved** on a no objection basis in accordance with rule 29 of the draft rules of procedure. The secretariat has posted, as of 23 March 2002, on the CDM website, an invitation to experts to submit their applications until 5 April 2002. The list of applications and a short-list for further consideration by the board, including from the UNFCCC roster of experts, will be made available at the third meeting.

10. **Action:** Members may wish to (i) consider the documentation provided in Annex 2 and agree on further work to be undertaken; (ii) establish the panel which is to recommend simplified modalities and procedures for small scale CDM project activities to the board (SSC panel) by appointing the panel members in accordance with the terms of reference.

(c) **Guidelines for methodologies for baselines and monitoring plans**

11. **Background:** At its second meeting, the board agreed to:

(a) Launch a panel at its fourth meeting at the latest to develop recommendations to the board on guidelines for methodologies for baselines and monitoring plans, in accordance with Appendix C of the modalities and procedures;

(b) Designate Mr Meira Filho and Mr Becker to serve as chair and vice chair, respectively, of the panel;

(c) To further elaborate terms of reference, including competence requirements for panel members, with a view to deciding upon the terms, if appropriate, prior to the third meeting via its list serve.

12. In preparation of the establishment of the panel, the board agreed to circulate draft terms of reference, including competence requirements for panel members, with a view to deciding upon them, if appropriate, prior to the third meeting via its list serve (circulation period: 6 March - 22 March 2002). All members confirmed the receipt of the message. **The proposed decision was approved** on a no objection basis in accordance with rule 29 of the draft rules of procedure. The secretariat has posted, as of 23 March 2002, on the CDM website, an invitation to experts to submit their applications until 5 April 2002.

13. **Action:** No action by the board is required at this meeting.

(d) **Panels: Determination of terms of reference and selection of members**

14. **Background:** At its second meeting, the board considered the draft criteria for composition and procedures of panels/working groups (Annex 5) and requested the secretariat to prepare a revised draft for circulation to the board for further comment and decision, if appropriate, via its list-serve.

15. The board agreed to circulate draft general guidelines with a view to deciding upon them, if appropriate, prior to the third meeting via its list serve (circulation period: 6 March - 22 March 2002). All members confirmed the receipt of the message. **The proposed decision was approved** on a no objection basis in accordance with rule 29 of the draft rules of procedure.

16. **Action:** No further action is required.

(e) **Modalities for collaboration with SBSTA**

17. **Background:** Paragraph 6 (e) of decision 17/CP.7 stipulates that the executive board shall identify modalities for seeking collaboration with the Subsidiary Body for Scientific and Technological Advice (SBSTA) on methodological and scientific issues.

18. The board, at its second meeting, designated Mr Tattenbach and Mr Stehr to follow the work undertaken by the SBSTA on developing definitions and modalities for including afforestation and reforestation project activities under the CDM in the first commitment period and regularly update the board on developments. A workshop on this issue is scheduled to take place in Orvieto, Italy, from 7-9 April 2002 and both designated board members were invited to attend.

19. The board, at its second meeting, also designated Mr Salamat and Mr Pluzhnikov to follow the inter-sessional consultations on registries and the development of technical standards, and to update the board on developments. Consultations on these issue are scheduled to take place in Bonn, Germany, from 2-3 June 2002, immediately prior to the sixteenth sessions of the subsidiary bodies. Mr. Salamat and Mr. Pluzhnikov will both be invited to attend the consultations.

20. **Action:** The board may wish to consider the oral reports by the designated members and take action, as appropriate.

### 3. **Other matters**

(a) **Definition of stakeholders**

21. **Background:** "Stakeholders" are defined in the modalities and procedures as "the public, including individuals, groups or communities affected, or likely to be affected, by the proposed clean development mechanism project activity".

22. **Action:** The executive board may wish to consider whether the definitions of stakeholders needs to be further elaborated and take appropriate action.

(b) **Modalities for attendance by observers to meetings of the executive board**

23. **Background:** In accordance with rule 26 of the draft rules of procedure, "meetings shall be open to attendance, as observers, by all Parties and by all UNFCCC accredited observers and stakeholders, except where otherwise decided by the executive board". At its second meeting, the board requested the secretariat to secure for its third meeting viewing room for about 50 observers. Observers shall have registered with the secretariat at the latest three weeks before the meeting. By 19 March, requests were received for 24 observer seats, of which nine for representatives of Parties, one for UN agencies, two for

IGOs and 13 for NGOs. Attendance will also be facilitated through the availability via world wide web of the proceedings of the meeting.

24. **Action:** The executive board may wish to consider whether modalities for attendance by observers to meetings of the executive board need to be further elaborated and take appropriate action.

**(c) Draft rules of procedure**

25. **Background:** At its second meeting, the board adopted draft rules of procedure for the executive board. They shall be applied in accordance with paragraph 6 (a) of decision 17/CP.7. The draft rules of procedure will continue to be under consideration by the board at its subsequent meetings until forwarded to COP 8 for its decision.

26. **Action:** The board may wish to (i) invite members to forward any amendments for circulation via list-serve; (ii) request the secretariat to make textual proposals, as appropriate, and include them in the documentation for the fourth meeting.

**(d) Communications to the executive board**

27. **Background:** According to rule 14 of the draft rules of procedure, the chair, or any other member designated by the executive board, shall represent the board as necessary, including at sessions of the COP/MOP.

28. The secretariat has been receiving requests addressed to individual board members and alternates, including requests to provide contact information of board members and/or alternates and documentation by other institutions addressed to board members and/or alternates.

29. The secretariat has been forwarding these requests and documents received to individual members and alternates. Contact information of members and/or alternates has only been disclosed once the board member had agreed.

30. **Action:** The board may wish to provide guidance to the secretariat on how to proceed, in particular on whether the secretariat should maintain a “mail box” for board members and/or alternates on issues concerning their functions as board members and whether contact details can be released without prior approval.

**(e) Other**

31. At its second meeting, the board agreed that if it is unable to resolve a question of interpretation arising on decision 17/CP.7 and its Annex, it reserves the right to refer the question(s) to the COP or COP/MOP, as appropriate, for further clarification. The board requested the secretariat to prepare a note on questions posed by the Prototype Carbon Fund (PCF) and circulate it to members via its list serve.

32. At its second meeting, the board requested the secretariat to revise the draft CDM programme budget for 2002-2003 in light of the discussion and conclusions at that meeting and to seek contributions to the UNFCCC Trust Fund for Supplementary Activities. Contributions have been pledged by the Governments of Canada and United Kingdom.

33. It also requested the secretariat to identify the implications for the budget of fees for panel members and fees from operational entities. The secretariat will provide an update to the board on this issue.

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## 4. Conclusion of the session

34. The chair may wish to summarize the meeting and the decisions taken.

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